continue to operate till this agreement is formally renewed, extended or replaced.

While, extension of PPA with KSEB has been under discussion with NTPC, KSEB desired allocation of 180 MW cheaper from NTPC Stations for pooling with Kayamkulam power for continuation of PPA. Ministry of Power *vide* order dated 24.2.2005 have made special allocation of 110 MW from Eastern Region (ER) stations of NTPC. KSEB has now agreed to renew the PPA for 180 MW from Kayamkulam for a further period of two years from 1.3.2005 or until LNG is available for use at Kayamkulam, whichever is earlier.

Distribution of power to household by NTPC

2431. SHRI C. RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that National Thermal Power Corporation (NTPC) will start distribution of electricity to individual households;

(b) if so, by when;

(c) whether NTPC is going to set up a separate subsidiary for the purpose; and

(d) if so, the details thereof?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (d) National Thermal Power Corporation (NTPC) has decided to diversify into retail distribution of electricity. A wholly owned subsidiary of NTPC 'NTPC Electric Supply Company Limited (NESCL)' was incorporated on 21 st August, 2002 with the objective to acquire, establish and operate electricity distribution network in various circles/cities across India and take up assignments in the area of distribution management.

Thermal Power Project at Mauda in Maharashtra

2432. SHRI DATTA MEGHE: Will the Minister of POWER be pleased to state:

(a) whether in **a** review meeting dated 2nd July, 2003 on capacity addition on Power Sector reform of the State of Maharashtra the then Power Minister had directed NTPC to prepare a feasibility report of 1000 MW Thermal Power Project at Mauda, Distt. Nagpur within six months;

(b) whether NTPC has proposed for setting up 1000 MW Coal Thermal Power Station at Mauda;

(c) if so, the details thereof;

(d) the present status thereof; and

(e) by when the said Power Project is likely to be started?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (e) In a meeting taken by the then Union Minister of Power, to review the capacity addition and Power Sector Reforms for the State of Maharashtra on 2nd July, 2003, a decision was taken to prepare a Feasibility Report within six months in respect of a power project of 1000 M W to be located at Mauda, District Nagpur in Maharashtra. Accordingly, Works for various site specific studies such as Topographical Survey, Geo-Technical Investigation, Seismic Study, Environmental Impact Assessment Study and Make-Up Water Study etc., for the project have been taken up by National Thermal Power Corporation (NTPC) to examine the Techno-Economic viability of the project. So far, approximately Rs. 21 lakhs have been spent on various site specific studies as mentioned above. However, the finalisation of the Feasibility Report is linked to tie-up of key inputs like water, coal etc.

In this regard, Government of Maharashtra was to complete/implement Gosikhurd Irrigation Project/Dam to provide water for the power project and was to indicate a firm schedule for water supply to the project. The confirmation of timeframe for assured water supply is still awaited from Government of Maharashtra. As regards coal supply, Ministry of Power/ NTPC had requested Ministry of Coal for coal tie-up from nearby coalfields of Western Coalfields Ltd. However, coal linkage for the project has been accorded from lb Valley Coalfields, which are located approximately 600 kms. away from the project, thereby affecting, the project viability.

Action for setting up of the project, including timeframe, will depend upon,the establishment of Techno-Economic viability of the project and availability of requisite inputs/clearances.

Providing power at a low price to States

†2433. SHRI BALAVANT *Alias* BAL APTE:

SHRI RUDRA NARAYAN PANY:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Central Government provides power to the States at a low price;

†Original notice of the question was received in Hindi.